



## **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

### **Health Resources and Services Administration**

#### **Health Center Program**

AGENCY: Health Resources and Services Administration, HHS.

ACTION: Notice of Class Deviation from Competition Requirements for the Health Center Program.

ACTION: Notice of Class Deviations from the Requirements for Extensions, Administrative Supplements, and for Announcing these Deviations in the Federal Register for the Health Center Program.

SUMMARY: In accordance with the Awarding Agency Grants Administration Manual (AAGAM) Chapter 1.03.103, the Bureau of Primary Health Care (BPHC) has been granted class deviations from the requirements for extensions contained in the AAGAM Chapter 2.04.104B-4A.I.a(5)(b) and the requirements for administrative supplements contained in AAGAM Chapter 2.04.104B-4A.4.b to provide additional grant funds during extended budget periods in excess of the allowed maximum. The deviations prevent interruptions in the provision of critical health care services for a funded service area until a new award can be made to an eligible Service Area Competition (SAC) applicant and to conduct an orderly phase-out of Health Center Program activities by the current award recipient. BPHC has also been granted a deviation that allows it to annually announce via the Federal Register the Health Center Program award recipients that

received a low cost extension and/or administrative supplement under the above described deviations.

#### SUPPLEMENTARY INFORMATION:

Intended Recipient of the Award: Health Center Program award recipients for service areas that are threatened with a lapse in services due to transitioning award recipients.

Amount of Non-Competitive Awards: Varies annually.

Period of Supplemental Funding: Awards made beginning in fiscal year 2016 and ongoing.

CFDA Number: 93.224

Authority: Section 330 of the Public Health Service Act, as amended (42 U.S.C. 254b, as amended).

JUSTIFICATION: Targeting the nation's neediest populations and geographic areas, the Health Center Program currently funds more than 1,300 health centers that operate approximately 9,000 service delivery sites in every state, the District of Columbia, Puerto Rico, the Virgin Islands, and the Pacific Basin. More than 23 million patients, including medically underserved and uninsured patients, received comprehensive, culturally competent, quality primary health care services through the Health Center Program award recipients.

Approximately one-third of current award recipients' service areas are scheduled to be competed each year via SACs. SACs are also held prior to a current grant's project period end date when 1) a grant is voluntarily relinquished or 2) a program noncompliance enforcement action taken by HRSA terminates the grant. If a SAC draws no fundable applications, BPHC may extend the

current award recipient's budget period to conduct an orderly phase-out of Health Center Program activities and prepare for a new competition for the service area.

The amount of additional grant funds is calculated by pro-rating HRSA's existing annual funding commitment to the service area. The average Health Center Program grant amount is over \$2 million. Approximately 6 months is required to announce and conduct a SAC. BPHC's extensions and administrative supplements are generally for a minimum of 90 days, which is at least 25 percent of the annual grant amount, thereby typically exceeding the allowed maximum. Through the deviations, award recipients receive consistent levels of funding to support uninterrupted primary health care services to the nation's most vulnerable populations and communities during service area award recipient transition.

FOR FURTHER INFORMATION CONTACT: Olivia Shockey, Expansion Division Director, Office of Policy and Program Development, Bureau of Primary Health Care, Health Resources and Services Administration at 301-443-9282 or oshockey@hrsa.gov.

Dated: December 17, 2015

James Macrae

Acting Administrator

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